

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

Handlooms and Textiles Department –Loan Waiver Scheme-- Sanction of an amount of Rs.16,67,95,443/- towards waiver of individual loans of Handloom Weavers under Artisan Credit Card (ACC) / Prime Minister's Rozgar Yojana (PMRY)/ Rajiv Yuva Shakti (RYS) payable to Commercial and other Banks— Orders – Issued.

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INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Ms.No. 15

Dated 06-02-2011.

Read the following:-

1. G.O.Ms.No.29, Ind. & Com. (Tex) Dept, dated 31-03-2010
2. G.O.Ms.No.76, Ind. & Com. (Tex) Dept, dated 02-08-2010
3. G.O.Ms.No.78, Ind. & Com. (Tex) Dept, dated 02-08-2010
4. G.O.Ms.No.79, Ind. & Com. (Tex) Dept, dated 02-08-2010
5. From the Director of Handlooms and Textiles and Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad, Lr.Rc.No.4029/2010/S.L.C.-W, dated 8-11-2010, 15-12-2010 and 11-01-2011.
6. G.O.Rt.No.305, Finance (Exp.I&C) Department, dated 02-02-2011.
7. G.O.Rt.No.353, Finance (Exp.I&C) Department, dated 05-02-2011.
8. G.O.Ms.No.14, Ind. & Com. (Tex) Dept, dated 06-02-2011.

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O R D E R:-

Andhra Pradesh is one of the leading States in the Country having large traditional base of Handloom Industry and produces most exotic items of Handloom fabric with traditional designs and techniques passed down from generation to generation. The Handloom is the largest cottage industry with a position next only to Agriculture in providing employment to rural artisans, with a low capital investment and is environment friendly and also adaptable to the changing tastes, trends, designs, techniques, fashion etc., to withstand and compete in the market, with the active support of the Government. There are about 2.60 lakhs active looms in the State.

2. Government is taking various steps for the promotion of the socio-economic well being of the Handloom weavers, by implementing various welfare and developmental schemes. But, the steps taken by the Government could bail out the weavers and Weavers' Cooperative Societies from the debt trap and indebtedness to some extent. In view of the competition from other products in the market, the goods produced by Weavers' Cooperative Societies and weavers could not be sold at reasonable prices, resulting in low levels of income and wages to the weavers. As a result, the weavers could not repay the loans taken from the Banks and the Government and they became defaulters.

3. Keeping in view the plight of the weavers, a scheme is evolved with an objective to relieve the Primary Weavers' Co-operative Societies and Weavers from the indebtedness, so as to enable them to obtain fresh working capital from the Banks to eke out their livelihood. Accordingly, orders were issued constituting a Group of Ministers (GoM) to examine the issues pertaining to the weavers, i.e., whether Primary Handloom Weavers' Co-operative Societies or individual weavers should get the benefit of loan waiver, modernization of handlooms and other related issues.

4. In the reference 1<sup>st</sup> read above, orders were issued accepting the recommendations of the Group of Ministers (GoM) constituted to examine the issues pertaining to the waiver of loans to the weavers and other related issues.

(PTO)

5. In the reference 2<sup>nd</sup> read above, certain amendments were issued to the orders issued in the reference 1<sup>st</sup> read above.

6. In the reference 3<sup>rd</sup> read above, orders were issued regarding Financial Package for loans sanctioned by the Commercial Banks. It was ordered that the claims shall be placed before the District Level Committee / State Level Committee from time to time to be processed and settled immediately.

7. In the reference 4<sup>th</sup> read above, operational guidelines were issued for implementation of the Loan Waiver Scheme.

8. In the reference 5<sup>th</sup> read above, the Director, Handlooms and Textiles and Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad. has stated that the 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> State Level Committee meetings were held on 08-11-2010, 13-12-2010 and 11-01-2011 respectively and it recommended an amount of Rs. 16,67,95,443/- towards waiver of individual weaver loans under Artisan Credit Card (A.C.C.) Prime Minister's Rozgar Yojana (PMRY) Rajiv Yuva Shakti (RYS) sanctioned by Commercial Banks. He requested the Government to sanction an amount of Rs.16,67,95,443/- towards waiver of individual weaver loans under A.C.C./PMRY/RYS.

9. In the reference 6<sup>th</sup> read above, Finance (Exp.I&C) Department have issued Budget Release Order for an amount of Rs.16,67,96,000/- towards waiver of individual loans (A.C.C./PMRY/RYS) from the Budget Provision of 2010-11. In the reference 7<sup>th</sup> read above, Finance ( Exp.I&C) Department have issued an amendment to the orders issued in the reference 6<sup>th</sup> read above.

10. In the G.O 8<sup>th</sup> read above, amendment is issued to reimburse 100% of the outstanding principal only by the State Government, in tune with the One Time Settlement (OTS) of the Banks.

11. After careful examination, Govt. have decided to sanction an amount of Rs.16,67,95,443/- (Rupees Sixteen Crores, Sixty Seven Lakhs, Ninty Five Thousand, Four Hundred and Forty Three only) towards waiver of individual loans of handloom weavers under Artisan Credit Card (A.C.C.) Prime Minister's Rozgar Yojana (PMRY) Rajiv Yuva Shakti (RYS) payable to Commercial and other Banks from the Budget Provision of 2010-11. Accordingly, Government hereby accord sanction for an amount of Rs. 16,67,95,443/- (Rupees Sixteen Crores, Sixty Seven Lakhs, Ninty Five Thousand, Four Hundred and Forty Three only) towards waiver of individual loans of handloom weavers under Artisan Credit Card (A.C.C.) Prime Minister's Rozgar Yojana (PMRY) Rajiv Yuva Shakti (RYS) payable to Commercial and other Banks from the Budget Provision 2010-11.

12. The expenditure sanctioned above shall be debited to the following Head of Account:-

""2851 - Village and Small Industries.  
MH -103- Handloom Industries.  
G.H.-11- Normal State Plan  
SH (12) - Assistance towards Loan Waiver to Weavers  
310 - Grants-in-aid  
312 - Other Grants-in-aid.

13. The Commissioner of Handlooms and Textiles and Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad is authorized to draw an amount of Rs.16,67,95,443/-, and the amount shall be adjusted to P.D. A/c. No. GA-77 of Andhra Pradesh State Handloom Weavers' Co-operative Society Limited (APCO), and disburse the amount to the concerned, as per the G.Os, referred in the reference 3<sup>rd</sup> and 8<sup>th</sup> read above, duly ensuring that interest would not be cleared by the Banks beyond 31-03-2010 as per One Time Settlement (OTS).

(Contd..... )

14. The Commissioner of Handlooms and Textiles and Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad, shall take necessary action in the matter and send a compliance report to the Government.

15. This order issues as per Budget Release Orders issued vide G.O.Rt.No.305, Finance (Exp.I&C) Department, dated 02-02-2011 and G.O.Rt.No.353, Finance ( Exp.I&C) Department, dated 05-02-2011 and with their concurrence vide their U.O.No.214-A/48/2011, dated 05-02-2011.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RANJEEV R.ACHARYA,  
PRINCIPAL SECRETARY TO GOVERNMENT.

To  
The Commissioner of Handlooms and Textiles and  
Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad.  
The Accountant General, Andhra Pradesh, Hyderabad.  
The Pay and Accounts Officer, Hyderabad.  
The Director of Treasuries and Accounts, Andhra Pradesh, Hyderabad..

Copy to:

The Finance ( Exp.I&C) / BG) Department.  
The P.S to the Secretary to Chief Minister.  
The P.S to M(H&T,SM, SSI, K&VIB, PE)  
Sf/Sc

// FORWARDED BY: ORDER//

SECTION OFFICER.